

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2523-01
Bill No.: HB 1034
Subject: Construction and Building Codes; Elementary and Secondary Education Dept;
Newspapers and Publication
Type: Original
Date: March 7, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
School Districts	UNKNOWN	UNKNOWN	UNKNOWN

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** indicate this proposal would have no fiscal impact on their agency. However, the proposal would give local school districts greater flexibility and would save advertising and construction costs. Although the amount of savings cannot be determined it could be significant.

Officials from the **Columbia Public Schools** stated that their current Board of Education policy requires bidding for non-instructional items of \$5,000 or more.

Officials from the **Lee's Summit R-7 School District** anticipate no additional costs as a result of this proposal, but did not indicate any cost savings associated with the proposed legislation.

Officials from the **Springfield Public Schools** indicated no fiscal response to their district as a result of this proposal.

Officials from the **Kirkville R-III School District** stated that since emergency repairs need to be completed quickly, this legislation would be of benefit to the district by being allowed to proceed without the constraints of the current requirements.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
SCHOOL DISTRICTS			
<u>Savings - Advertising Expense</u>	<u>UNKNOWN</u> <u>\$0</u>	<u>UNKNOWN</u> <u>\$0</u>	<u>UNKNOWN</u> <u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could impact those businesses contracting with local school districts for construction projects. Businesses dealing with advertising could experience a negative fiscal impact due to reduced advertising requirements.

DESCRIPTION

This proposed legislation raises the current \$12,500 threshold for advertising for bids on school district construction to \$25,000. Currently, the advertisement must run for two successive weeks; the proposed legislation deletes that requirement and substitutes any two days of highest readership in a period of two consecutive weeks. It also adds that sufficient notice consists of placing a minimal notice in the newspaper that may direct attention to a full notice posted at the district headquarters and, if applicable, on the Internet.

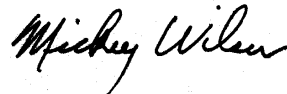
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Columbia Public Schools
Lee's Summit R-7 School District
Kirksville R-III School District
Springfield Public Schools

NOT RESPONDING

St Louis Public Schools



Mickey Wilson, CPA
Acting Director
March 7, 2002